



**MINUTES**  
**Economic Development Authority**  
**August 20, 2019**

**CALL TO ORDER**

The Economic Development Authority meeting was called to order at 5:00 pm.

**Present:** Chair: Jahn Dyvik; Vice Chair: Lori Goodsell; Board: Tim Hultmann, Michelle Jerde, Tom Skjaret, Deirdre Kvale, and Charlie Miner

**Staff Present:** City Administrator/Executive Director: Scott Weske; City Clerk: Jeanette Moeller

**Absent:** None

**PLEDGE OF ALLEGIANCE**

**APPROVE AGENDA**

*A motion was made by Jerde, seconded by Skjaret, to approve the agenda. Ayes: all.*

**CONSENT AGENDA**

A. Approve Minutes of July 23, 2019 EDA Meeting

*A motion was made by Miner, seconded by Goodsell, to approve the minutes of the July 23, 2019 EDA meeting. Ayes: all.*

**OPEN CORRESPONDENCE**

Executive Director Weske explained that there are a few people present who would like to be allowed to speak after the review rather than during the Open Correspondence portion of the agenda.

**BUSINESS ITEMS**

**Updates Regarding Community Input Survey Results**

Weske gave a brief summary of the initial survey results for the ongoing Community Input Survey seeking feedback regarding the future of the City owned Virginia Avenue and Wayzata Boulevard properties. He stated that as of the packet going out, only 71 responses had been received. He observed that there was one comment made which stated that density is being forced upon the City by him, and he wanted to make it clear that this was not true.

The EDA discussed density requirements and areas of the City, such as the industrial park, that may change zoning in the next 20 years and be able to be used for mixed use or higher density housing.

Weske stated that he checked the survey just before coming to the meeting and the responses have now reached 83, but he noted that 15% of them are from people other than Long Lake residents.

Chair Dyvik stated that he does not think there are not enough responses yet to make a determination of what residents would like for these properties. He stated that he thinks the mixed use type properties will only work well in a highly dense population such as Minneapolis and referenced the mixed use properties that are sitting vacant in downtown Wayzata. He commented that he also doesn't think the City has the population to be able to put in a grocery or drug store in either of these locations either.

The EDA discussed the changes in the retail market and the importance of having an online presence or being a "destination" store. They discussed the responses that asked for the properties to be kept as green space and not develop the property.

A member of the audience stated that he has lived at the same address for 40 years and did not receive this survey or the previous survey that was sent out.

Board member Jerde explained that the survey was advertised in the newsletter mailed with water bills.

The audience member stated that he does not receive a water bill. He stated that he finds it interesting because he is probably one of the most impacted people and he doesn't even get to have a survey to fill out.

Weske stated that the survey is still available so he could fill it out. He stated that the survey has been advertised via the newsletter, the City's website and the City's Facebook page.

The EDA discussed the idea of green space or parkland in this area and noted that while it would be a nice space, there would not be many people to use it, and people would have to walk a long way and cross streets in order to access it because it is not easily accessible. The EDA discussed how long to leave the survey open and suggested leaving it open until they had gotten feedback from at least 25% of the households.

Chair Dyvik suggested that the Board start spreading the word to their neighborhoods and community members and encourage them to submit the survey.

Board member Kvale stated that she had gotten feedback that people felt that the options available were steering people towards a desired response rather than just gathering information.

Weske noted that some of the options were listed because of the zoning available for the parcels because other uses would either require spot zoning, which cannot be done, or a PUD.

Chair Dyvik asked Executive Director Weske to leave the survey open for the time being and update the EDA at the next meeting. He encouraged the other Board members to encourage people to fill out the survey so there are more responses and opinions to consider.

**Application for EDA Review: Virginia Avenue Property/Trinity Vincent Development, Aaron Maciej and Brandon Laubach – Proposal for 110 Unit Senior Assisted Living and Memory Care Apartments**

Executive Director Weske introduced Aaron Maciej of Trinity Vincent Development and asked him to give an overview of their proposal.

Aaron Maciej, Trinity Vincent Development, stated that they are proposing a 110-unit, four-story building with underground parking that will be a combination of memory care, assisted living and independent living units.

Board member Goodsell stated that it appears as though a lot of this property will remain green space.

Mr. Maciej stated that they are leaving green space on the site for now.

Board member Kvale asked how Trinity Vincent came up with the 3.45 acres in their proposal.

Mr. Maciej stated that it includes 9 properties, including the EDA land along Virginia Avenue.

Board member Skjaret stated that it appears as though Trinity Vincent has done a substantial number of these types of facilities. He stated that he did a bit of research and they appear to be very well done. He noted that their market research showed that there is a strong need for senior living in this year and asked if their research had taken into account the new senior living facility that will be located near Orono City Hall.

Mr. Maciej stated that they were aware of the Orono project.

Board member Hultmann stated that the Orono project is the same type of project, but is not to the scale as the one proposed for Long Lake.

The EDA reviewed the other senior living facilities in the area and discussed the growing "age wave" demographic that requires senior living.

Board member Skjaret asked if the management company that they were working with was a licensed nursing home operator.

Mike Pagh, Great Lakes Management, stated that they are fully licensed for this type of facility. He noted that they currently have about 4,000 beds in the State of Minnesota. He reviewed some of the other cities where they have facilities. He noted that this would be a private/for-profit facility but they do take referrals under the elderly waiver for the Medicaid reimbursement program.

Board member Skjaret asked about the undeveloped parcels and what the plans were for those parcels in the future.

Mr. Pagh stated that they haven't fully explored the options but noted that it will likely be some form of congregate housing. He stated that to address the concern about there already being senior housing in the area, the projections are for the senior population to double in the next 10 years.

Chair Dyvik asked if the applicants were looking for TIF money in order to develop this property.

Mr. Maciej stated that they would be looking for TIF in order to develop this property.

The EDA discussed the demographics and usual age for people inside this type of housing development and whether they would use the City services. The EDA discussed possible market rate housing versus this type of senior living facility. There was discussion about what the City is known for and its unofficial "brand". It was noted that there have been many fitness related businesses that have come to the City.

Board member Skjaret stated that he was hoping that a market rate housing project would come to this property.

Mr. Maciej stated that their market study did not support market rate, but did work for the senior living facility.

Board member Miner asked if there would be a possibility of doing a combination of senior housing alongside market rate housing.

Mr. Pagh stated that they have done quite a few mixed use developments and that would be a challenge in this location. He stated that many of their market rate communities have senior living, but this project is designed just for senior living.

Mr. Maciej gave a brief overview of their market study information.

The EDA discussed the expectations for seniors and whether the demographic of the building could be marketed to a younger, more active population.

Board member Miner stated that he does see some positives for this development but has some concerns about the proposed height of the building.

The EDA discussed the design requirements and setbacks within a PUD as well as what it takes to create a TIF district.

Board member Goodsell stated that she likes the idea of the proposal but would prefer it not be as tall as proposed and that it be marketed towards a more active demographic. She stated that she would also prefer to see the green space on the outside of the building area rather than on the inside.

Board member Skjaret stated that this project supports people that want to move away from Virginia Avenue but also respects those who would like to stay.

Board member Hultmann stated that he is in favor of this proposal.

A female member of the audience spoke up and stated that they live on Virginia Avenue and they have outgrown their home. She stated that this has been a tough situation because they don't know what will happen with this property and they don't want to put money into the home if the home is just going to go away. She stated that they also do not want to sell the home to another young family that also will not be able to put money into the home because of this type of project. She asked the EDA to consider the people that live on the road and how this proposed development and prolonged discussion will affect them.

Board member Skjaret reiterated that he likes the proposal. He likes the idea that this may allow people to stay in the City, but downsize which would open up the single-family homes for families to move in. He stated that he also likes it because development always spurs other development and noted that these developers have successfully built this type of project before.

Chair Dyvik stated that he is impressed with their track record but still favors market rate housing and likes the idea of a "fitness" brand for the City rather than the senior living brand. He expressed concern that this development could inadvertently brand the City as the City of old people.

Weske stated that the Board seems to have a "warmish" opinion on the project. He asked the Board if they would like to give the applicant specific guidance to see if they can change their proposal a bit and bring it back to the next meeting.

Board member Hultmann asked about how much it would cost to rent one of the units.

Mr. Maciej stated that it would start at about \$2,300/month.

Board member Hultmann stated that is not subsidized or work force housing which should be taken into account when looking at this project.

Chair Dyvik stated that it appears as though the majority of the EDA supports this proposal.

Board member Kvale stated that she is not in support of this proposal.

Dan Crear, 545 Virginia Avenue and 2045 Wayzata Boulevard, stated that the EDA should know him because he has been coming to meetings for 2 years. He stated that he is frustrated with what is happening. He explained that he doesn't think the Board remembers everything about this situation and recalled that in 1989 he received a letter from MnDOT saying that they were going to be taking his house. He stated that about every 5 years they go through this situation with a potential project and then nothing happens.

Chair Dyvik stated that they remember the situation and understands Mr. Crear's frustration because he wants to sell his property.

Mr. Crear stated that the City needs to have a tax base instead of paying money to mow the lawn on the Virginia Avenue property. He commented that the City needs housing and if this project moves forward, it will free up the single-family homes in the City for families to move in, because people that sell can move into these apartments and stay in the City. He stated that there are a lot of people that want to be in the Orono School District that will come if some of the housing stock is freed up; that he thinks the EDA needs to listen to the professionals that said that market rate housing will not work in this location; and that he is not concerned about the height of the building because it backs up to commercial. He expressed his frustration with the lack of progress.

Steve Crees stated that his mother has owned the duplex for 40 years. He stated that his father has passed away and his mother is in memory care and agreed with Mr. Crear that something needs to happen because things have been discussed for 20 years. He explained that he is unable to sell the duplex because of the unknown that has surrounded the area for 20 years.

Susan Hitchings, 505 Virginia Avenue, said that she agreed with what has already been stated - that this has taken way too long for progress. She noted that she has lived in this location for 43 years and 20 of those years she has listened to the same conversations over and over. She stated that she thinks the proposal presented tonight is a good one and thinks it would be good for the City. She indicated she also believes that the residents would use the local services.

Chair Dyvik stressed that the EDA wants to do the best thing for the City.

Mr. Crear stated that the residents received a very aggressive letter from the City back in 2002 asking them to please sell their houses so there could be a Park N Ride and the planned office development. He stated that the City of Long Lake started this, not the residents and they are frustrated that it has been going on for 20 years.

Weske stated that if the EDA is thinking favorably about the proposal, he would suggest that they give the applicant direction so they could come back.

### **Discuss Long Term Plans for City Owned Properties**

Weske noted that he had included this agenda item because he wanted to ask if the EDA would like to have some general long-term plans/goals that could be passed along to interested developers. He gave the example of perhaps adding 40 market rate apartment units on the south side of the property or some land swap opportunities. He explained that if the EDA knew that they were going

to be open to considering a TIF district the City should try to get as much as possible about of the development.

Chair Dyvik stated that he would like to see a conceptual plan for a Phase II for this development.

Board member Kvale asked if the EDA was planning to just ignore the opinion of the residents that came from the survey results.

Chair Dyvik stated that time is running out so this discussion will have to be moved to the next meeting.

#### **OTHER BUSINESS**

None.

#### **ADJOURN**

*Chair Dyvik adjourned by general consent at 6:30 pm. Ayes: all.*

Respectfully submitted,  
Scott Weske, Executive Director